To: CN=Erin Foresman/OU=R9/O=USEPA/C=US@EPA[]
Cc: CN=Karen Schwinn/OU=R9/O=USEPA/C=US@EPA;CN=Tom Hagler/OU=R9/O=USEPA/C=US@EPA;vendlinski.tim@epa.gov;CN=Laura Fujii/OU=R9/O=USEPA/C=US@EPA[]; N=Tom Hagler/OU=R9/O=USEPA/C=US@EPA;vendlinski.tim@epa.gov;CN=Laura Fujii/OU=R9/O=USEPA/C=US@EPA[]; endlinski.tim@epa.gov;CN=Laura Fujii/OU=R9/O=USEPA/C=US@EPA[]; N=Laura Fujii/OU=R9/O=USEPA/C=US@EPA[]
From: CN=Carolyn Yale/OU=R9/O=USEPA/C=US
Sent: Mon 6/13/2011 5:36:18 PM
Subject: Re: Region 8 reservoir projects
http://per2.nwp.usace.army.mil/survey.html
http://www.spk.usace.army.mil/organizations/cespk-co/regulatory/index.html
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http://www.spk.usace.army.mil/organizations/cespk-co/regulatory/index.html

Thanks to both of you.
Just to enter a few thoughts about the CA situation (which may or may not apply to Col as well), with reference to the functions and benefits of new surface storage, and to alternatives. (Actually, the following relates to Temperance Flat as an example.) A reservoir may have other functions than supply, such as flood control, but here I'm focusing on supplies.

As you've noted, Erin, pushing the conservation side is tricky. All the more so in a situation of water shortages (not uncommon in the Central Valley), and the possibility that responses to surface shortages, or to high-priced surface water, will eat into the ground water supply-- until and unless there are incentives to manage ground water better (CA is working on this, by the way). From a direct use perspective there are various attributes of supply that are important: reliability (eg, some assurance that permanent, high value crops can be irrigated in the appropriate seasons); quality (e.g., less salty); .... So, conservation responds to one aspect of the user's perspective re supply matrix. Conservation has value in other contexts as well... for example, avoided cost (of infrastructure expansion); perhaps also to demonstrate qualification for some other benefits such as low interest loans.

Bear with me: I mention this concept because in fact we might want to think of 'water' (as it would be provided via a project) less as a physical unit of use and more as a unit of investment: purchase of a set of attributes. (Some-- but not all-- of which the BOR dutifully covers in its cost allocation procedures.)

Here's a thought from a recent message I sent to Laura Fujii regarding the rationale for Temperance Flat. T Flat has been criticized as economically irrational from the perspective of current cost of an acre foot of water. "I received an email from a conservation group re Temperance Flat (ie. Upper SJ Storage...), which sent me to the Plan Formulation Report for some insights into the appeal of a project with low and 'expensive' yield. ... My guess is that our standard approach to 'supply projects' (and the Bureau's analytical methods-- project functions/benefits, allocation of costs, etc) will not fit the situation. It may not be not about the yield, per se, so much as about buying into a system for moving water. The value of participating in the project would depend in large part on expected connections/potential transactions. Access to the system may have value, as will negotiated rules of participation; it could be a good long-term investment..."

In other words, it's just possible that thinking of 'yield' per se as the project benefit is off-base, and that we need to see Temperance Flat in the context of its linkage to the substantial expansion in regional groundwater banking, conveyance systems connecting the supply and use areas, etc. This is a way of improving reliability (e.g., thru exchanges and transfers) and providing something closer to 'market' incentives for efficiencies. In a way, this may make arguments for alternatives without a reservoir easier, especially when stacked up against the impacts.

I have no idea whether this works out for 404. It seems to me that it will be important to emphasize the aquatic resource impacts onsite (direct footprint) and up and downstream. In the case of Temperance Flat, this 'downstream' issue could be more in the form of lost opportunities (for flood plain and river restoration). We will need to be very careful to understand how aquatic resource opportunities/benefits might be implemented thru a reservoir project, versus 'no action'. If there's little to mitigate, the responsibility for benefits might be allocated as a project purpose (with authorized/appropriated public funding needed).
C

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From: Erin Foresman/R9/USEPA/US
To: Karen Schwinn/R9/USEPA/US@EPA, Carolyn Yale/R9/USEPA/US@EPA, Tom Hagler/R9/USEPA/US@EPA, vendlinski.tim@epa.gov
Date: 06/13/2011 08:55 AM
Subject: Region 8 reservoir projects

Hey Karen,
Thanks for bringing this up and sending out this email. It is less random than you think. Looks like it is timely with one of Mike Nepstad's emails to me last week. Sac District works all the time with EPA Region 8, presently they are having professional regulatory discussions about how to permit new storage facilities. See Mike's email below and the string of messages.

The messages below and attachments discuss the process Region 8 is going through with the Corps (our friends at Sac District) and the Colorado equivalent of CA SRWCB. They call the facilitated disucssions CAWS for Colorado Approach to Water Supply permit evaluation.

As Mike notes below they have not come to any conclusions, but it is probalby time for us to talk with the Corps again and check in with Region 8. One of the files is meeting notes and it appears they are having a longer discussion about conservation than I've ever had at the 404 permit application stage with storage applicants. I always enthusiastically encourage conservation during 404 pre-application meetings because it is easily the LEDPA when compared with impacts from buiding new storage. In my experience, it is a simple thing for the applicant to demonstrate they've done some conservation but very difficult for us and the Corps to show they can do more and it would be less expensive and environmentally damanging to use less water. It has the similar feel of futility as encouraging transportation demand reduction instead of building new freeways.

I know this isn't our top priority, but it is timely to share what Mike sent to me.
E

-----Karen Schwinn/R9/USEPA/US wrote: -----
To: Tom Hagler/R9/USEPA/US@EPA, Erin Foresman/R9/USEPA/US@EPA, Carolyn Yale/R9/USEPA/US@EPA, "Tim Vendlinski" <vendlinski.tim@epa.gov>

From: Karen Schwinn/R9/USEPA/US
Date: 06/07/2011 05:38PM
Subject: random

Apparently Region 8 has "many 404 reservoir projects" (I'm reading Alexis' notes from recent Div Dir mtg.). Tuck that into a corner of your brains - we should talk to them about their process to get to a LEDPA, when we get closer to Sites/Temperance Flats/Shasta. (The guy I used to know there retired a couple years ago so I've got no current contacts.)

****

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http://www.epa.gov/region9/water/watershed/sfbay-delta/index.html

-----Forwarded by Erin Foresman/R9/USEPA/US on 06/13/2011 08:27AM -----
To: Erin Foresman/R9/USEPA/US@EPA
From: "Nepstad, Michael G SPK" <Michael.G.Nepstad@usace.army.mil>
Date: 06/01/2011 10:35AM
Cc: "Toland, Tanis J SPK" <Tanis.J.Toland@usace.army.mil>
Subject: FW: Question on CAWS (UNCLASSIFIED)
(See attached file: Overview and Objective of the CAWS Process.pdf)
(See attached file: CAWS_Facilitation_Revised SOW 12.16.10.docx)
(See attached file: CAWS-meeting summary_04 18-19 11_Final.doc)

Passing on this information: Corps NWO and EPA region 8 have ongoing discussions attempting to reach a common understanding/agreement on demand projection (what's acceptable and what's not) and how water conservation is addressed for water supply projects in front range of Colorado (as a stand-alone alternative, reduces demand, etc). They having these meeting with the Colorado equivalent of SWRCB. They haven't reached any conclusions yet. Both the process and the eventual outcomes may be applicable to the BDCP. It may be worth considering having a similar meeting here in CA.

Michael G. Nepstad
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* Facebook: www.facebook.com/sacramentodistrict

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* Twitter: www.twitter.com/USACESacramento

-----Original Message-----
From: Carey, Timothy T NWO
Sent: Wednesday, June 01, 2011 9:59 AM
To: Nepstad, Michael G SPK
Subject: RE: Question on CAWS (UNCLASSIFIED)

Classification: UNCLASSIFIED
Caveats: NONE

Michael -

The process we're involved with is known as CAWS (Collaborative Approach to Water Supply Permit Evaluation). The "Overview and Objective" document outlines the history of CAWS and how we got to this point. The "CAWS Facilitation Revised SOW" is the Scope of Work we developed, in conjunction with the Institute for Water Resources (IWR), to solicit proposals for meeting facilitators. Proposals were solicited from existing IWR contractors; contractors that IWR has ID/IQ contracts with. The "CAWS Meeting Summary" documents the discussions and results of our two-day workshop on 18 & 19 April. We had hoped to reach agreement on several issues at the workshop, but unfortunately that didn't happen. We're now scheduling two 1/2-day follow-up meetings to see if we can reach agreement on how we approach conservation and how we may be able to utilize the State of Colorado's demand projections for municipal and industrial water.

I hope this helps. Let me know if you have more questions.

Tim

_____
Timothy T. Carey, Program Manager
Denver Regulatory Office
U.S. Army Corps of Engineers
(303) 979-4120

-----Original Message-----
From: Nepstad, Michael G SPK
Sent: Wednesday, June 01, 2011 9:17 AM
To: Carey, Timothy T NWO
Subject: Question on CAWS

On the Colorado Consistency call you mentioned that NWO and EPA region 8 is doing facilitated meetings on or which you call collaborative approach to

water supply and are discussing demand and conservation.

Out here in CA there is looming something called a "Bay delta Conservation Plan" which features a 7 million acre feet annual average water diversion facility, which is 15% more than they (the water diverters) have currently and need today, and I anticipate that everyone will be arguing over demand and the role of water conservation in this process.

Both us and EPA region 9 would be very interested in some more details on this CAWS. Do you have an issue paper or white paper or meeting minutes or something(s) like that on this effort which I could share with EPA region 9? Thanks

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Classification: UNCLASSIFIED
Caveats: NONE

[attachment "Overview and Objective of the CAWS Process.pdf" deleted by Carolyn Yale/R9/USEPA/US] [attachment "CAWS_Facilitation_Revised SOW 12.16.10.docx" deleted by Carolyn Yale/R9/USEPA/US] [attachment "CAWS-meeting summary_04 18-19 11_Final.doc" deleted by Carolyn Yale/R9/USEPA/US]